

Appendix C

Key Principals for the Transfer of Oakville Trafalgar Memorial Hospital Property From Halton Healthcare Services Corporation To the Corporation of the Town of Oakville

- Transferor: Halton Healthcare Services Corporation (“**HHS**”)
- Transferee: The Corporation of the Town of Oakville (the “**Town**”)
- Property Being Transferred: The entire Oakville Trafalgar Memorial Hospital property being approximately 14 acres (the “**Hospital Property**”), save and except the Wyndham Manor property (the “**Wyndham Property**”).
- Transfer Price: \$1.00 with the Hospital Property being accepted by the Town in “*as is where is*” condition. Note: This transaction is completely separate from any involvement of the Town with the new hospital, including any municipal funding.
- Conditions Precedent:
 - Section 4(4) of the *Public Hospitals Act* consent from the Minister of Health
 - Town Council to approve the transaction
 - Title to the Hospital Property to be free of all encumbrances, except for the permitted easements, the license agreement and the parking agreement. Note: The title is subject to some old mechanics liens and certificates which will have to be deleted. This may involve a court order.
 - The tenant of the Wyndham Property (namely BPC Long-Term Care Facilities (Oakville) Inc. (“**Borealis**”) and the subtenant of the Wyndham Property (namely Halton Healthcare LTC Inc.) must approve the various easements to ensure that the operation of Wyndham Manor is not compromised by the transfer of the Hospital Property to the Town.
 - The tenant of the Wyndham Property (namely Borealis) and the subtenant of the Wyndham Property (namely Halton Healthcare LTC Inc.) must approve the provisions of the parking agreement mentioned below.
 - The Town has a due diligence period prior to the transfer date to do environmental testing, check the cost to the Town of demolition of the hospital and other due diligence work, if it so chooses. None of its activities on the Hospital Property are to adversely affect the ongoing operations of the Oakville Trafalgar Memorial Hospital.
- Transfer Date: March 31, 2016

- Registered Transfer: will be together with certain easements over the Wyndham Property (for the benefit of the Hospital Property) and subject to certain easements over the Hospital Property (for the benefit of the Wyndham Property). No severance consent is required for the transfer because there is an exemption in the subdivision control provisions of the *Planning Act* for transfers to or from a municipality.
- License Agreement: If there is an earlier transfer date than vacant possession on March 1, 2016, the Oakville Trafalgar Memorial Hospital will continue to temporarily operate until the new hospital is ready for occupancy. Therefore a license agreement between the Town and HHS provides sufficient time not only for the Oakville Trafalgar Memorial Hospital to continue operating but also sufficient time to decommission the Oakville Trafalgar Memorial Hospital (i.e. remove furniture and equipment, decommission gas and oxygen lines, remove underground diesel storage tank and above-ground oxygen tanks) and move to the new hospital. The decommissioning is limited to specific matters consistent with the “as is where is” transfer to the Town. During the license period, the Town is not permitted to sell or transfer the Hospital Property to any third party. During the license period, the Town is permitted to carry out tests on the Hospital Property provided that any of its activities on the Hospital Property do not adversely interfere with the ongoing operations of the Oakville Trafalgar Memorial Hospital. There is no rent payable by HHS under the license agreement except for utilities.
- Vacant Possession Date: March 31, 2016 is the intended vacant possession date. The present draft of the License Agreement has a clause stating no later than July 31, 2017 (outside date of two years after the transfer date). Final date to be agreed to with the Town.
- Releases: The Town is to provide a full release to HHS as confirmation that the Town is taking over the Hospital Property in “as is where is” condition with no recourse to HHS, including environmental liability. The Town has indicated it wishes to receive a reciprocal release from HHS so that HHS will have no recourse to the Town if HHS faces liability after having vacated the Hospital Property. This is a matter to be resolved.
- Parking Agreement: In addition to the parking lot on the Wyndham Property, extra parking is required for the operation of Wyndham Manor. The parking agreement obligates the Town to provide such additional parking on the Hospital Property for as long as Wyndham Manor is operating. If the Town decides to demolish the multi-level parking garage located on the Hospital Property, the Town must provide alternate parking for Wyndham Manor on the Hospital Property at normal parking rates. The parking agreement must be approved by the tenant (namely Borealis) and the subtenant (namely Halton Healthcare LTC Inc.) of the Wyndham Property to ensure that its provisions are adequate for the operation of Wyndham Manor.